

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

001

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

UTU-0805

6. If Indian, Allottee or Tribe Name

UTE TRIBE

7. If Unit or CA Agreement, Name and No.

Shirley Unit

8. Lease Name and Well No.

WV 12MU-9-8-21

9. API Well No.

43-047-35413

10. Field and Pool, or Exploratory

WONSITS VALLEY

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 9 T8S R21E Mer SLB

12. County or Parish

UINTAH

13. State

UT

17. Spacing Unit dedicated to this well

40.00

20. BLM/BIA Bond No. on file

ESB000024

23. Estimated duration

10 DAYS

1a. Type of Work: ☒ DRILL ☐ REENTER

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1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator
QEP - UINTA BASIN INC

Contact: RALEEN SEARLE
E-Mail: raleen.searle@questar.com

3a. Address
11002 EAST 17500 SOUTH
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435.781.4309
Fx: 435.781.4329

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface NWSW 2048FSL 693FWL

At proposed prod. zone

4443683Y 40.13650
62275X - 109.56591

14. Distance in miles and direction from nearest town or post office*

10 +/- MILES NORTH WEST FROM OURAY, UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
693' +/-

16. No. of Acres in Lease

640.00

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
1500' +/-

19. Proposed Depth

9650 MD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
4794 KB

22. Approximate date work will start

25. Signature
(Electronic Submission) Raleen Searle

Name (Printed/Typed)
RALEEN SEARLE

Date
12/30/2003

Title
REGULATORY AFFAIRS ANALYST

Approved by (Signature)

Name (Printed/Typed)

BRADLEY G. HILL

Date
01-08-04

Title

Office

ENVIRONMENTAL SCIENTIST III

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

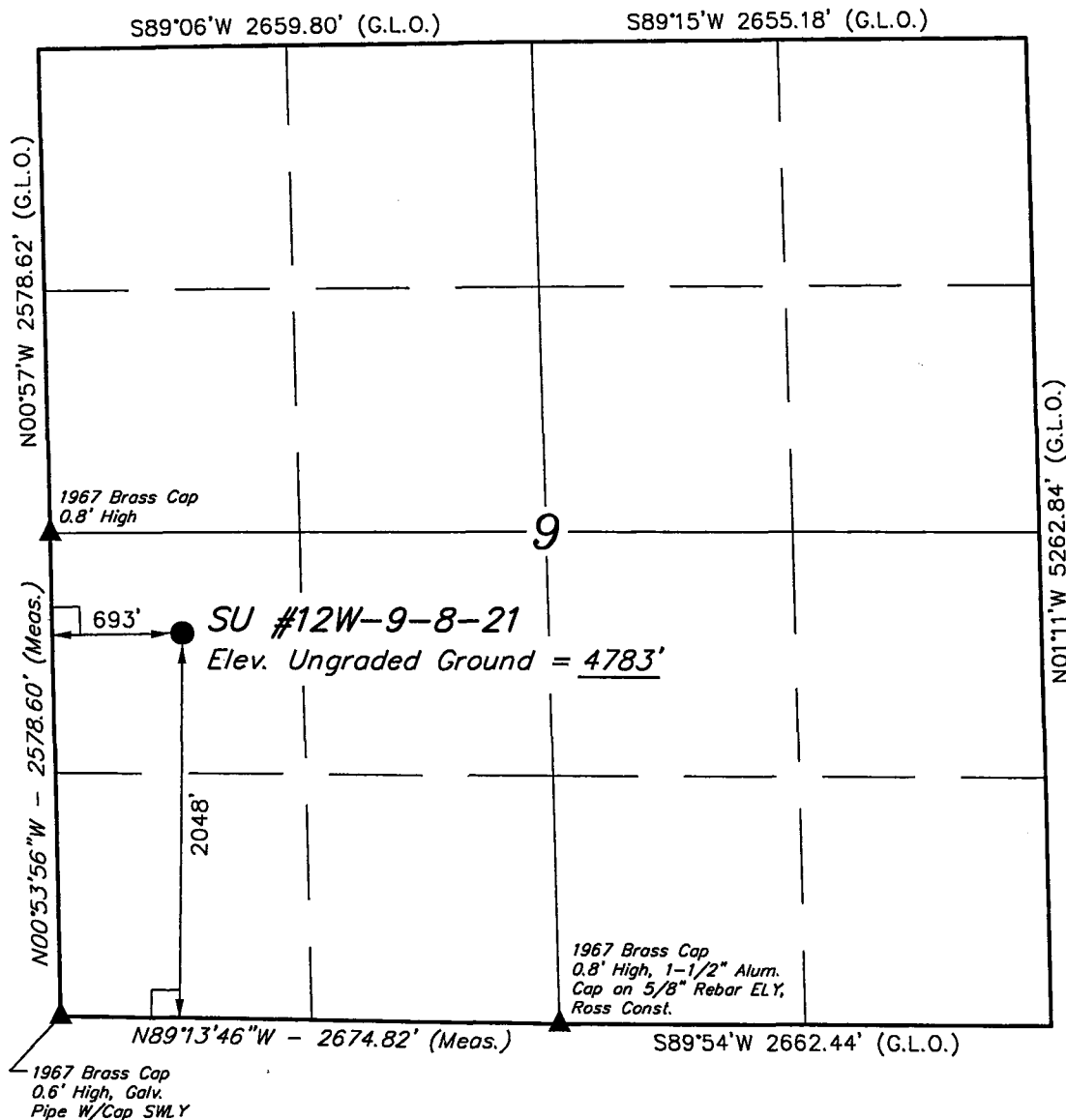
Additional Operator Remarks (see next page)

Electronic Submission #26510 verified by the BLM Well Information System
For QEP - UINTA BASIN INC, sent to the Vernal

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** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **

T8S, R21E, S.L.B.&M.



LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°08'11.41" (40.136503)
LONGITUDE = 109°34'00.84" (109.566900)

QUESTAR EXPLORATION & PRODUCTION

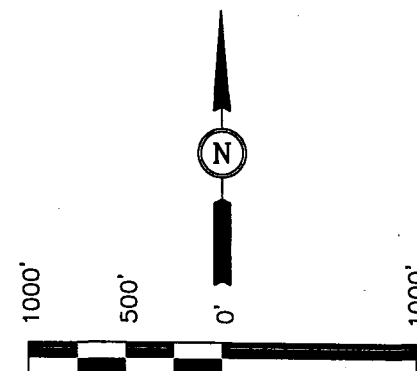
Well location, SU #12W-9-8-21, located as shown in the NW 1/4 SW 1/4 of Section 9, T8S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFICATION

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 104219
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-02-03	DATE DRAWN: 12-03-03
PARTY D.A. R.D. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUESTAR EXPLORATION & PRODUCTION	

QEP UINTA BASIN, INC.
WV 12MU-9-8-21
2048' FSL, 693' FWL
NWSW, SECTION 9, T8S, R21E
UINTAH COUNTY, UTAH
LEASE UTU-0805

ONSHORE ORDER NO. 1

MULTI - POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

The proposed well site is approximately 10 miles North West of Ouray, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 - mile radius.

Improvements will be made to the existing two-track (access roads).

2. Planned Access Roads:

Refer to Topo Map B for the location of the proposed access road.

New access roads on Tribal surface will be 30' in width crowned (2 to 3%), ditched, and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the road bed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

3. Location of Existing Wells Within a 1 - Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Refer to Topo Map D for the location of the proposed pipeline.

A containment dike will be constructed completely around those production facilities which contains fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The use of topsoil of the construction of dikes will not be allowed. All loading lines will be placed inside the berm surrounding tank battery. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad unless the BLM/VFO AO determines that another color shall be used. Surface pipeline will be 3" zaplocked steel surface line. Pipeline will be zaplocked on location and then pulled into place using a rubber tired tractor.

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5. **Location and Type of Water Supply:**

Fresh water for drilling purposes will be obtained from Wonsits Valley Water Right #36125, or Red Wash Right #49-2153.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized. Any gravel will be obtained from a commercial source. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2-3.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility with 120 days after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order #7, all produced water will be contained in tanks on location and then hauled to Wonsits Valley location in SWNW section 12, T8S, R21E; or Red Wash Disposal Well located in NESW, Section 28, T7S, R22E; or, Red Wash Central Battery Disposal located in SWSE, Section 27, T7S, R23E. Pit reclamation for lined pit will be ruptured when emptied to allow the remaining liquid to be adequately mixed and to promote additional drying of the pit area.

8. **Ancillary Facilities:**

None anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

10. **Plans for Reclamation of the Surface:**

Topsoil will be stripped and salvaged to provide for sufficient quantities to be respread to a depth of at least 4 to 6 inches over the disturbed areas to be reclaimed. Topsoil shall be stockpiled separately from subsoil materials. Topsoil salvaged from the reserve pit shall be stockpiled separately near the reserve pit. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production. Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The reserve pit will be reclaimed within 120 days from the date of well completion, weather permitting.

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11. Surface Ownership:

The well pad and access road are located on lands owned by:

Ute Tribe
PO Box 190
FT. Duchesne, UT 84026
(435) 722-5141

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

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Lessee's or Operator's Representative:

John Busch
Red Wash Operations Rep.
QEP Uinta Basin, Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4341

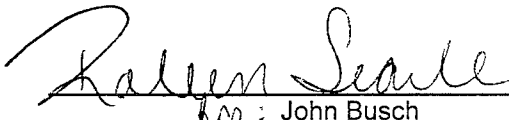
Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

QEP Uinta Basin, Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by QEP Uinta Basin, Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.


for: John Busch
Red Wash Operations Representative

30-Dec-03
Date

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QUESTAR EXPLR. & PROD.

WV SU #12W-9-8-21

LOCATED IN UINTAH COUNTY, UTAH
SECTION 9, T8S, R21E, S.L.B.&M.

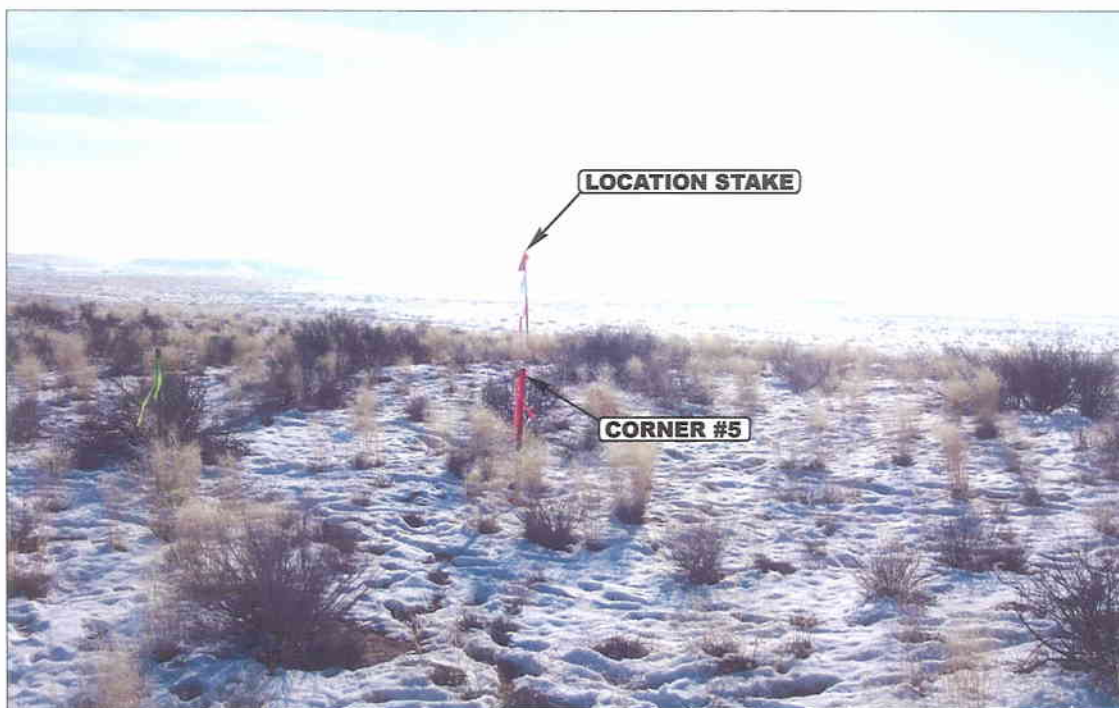


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

12 18 03
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: P.M.

REVISED: 00-00-00

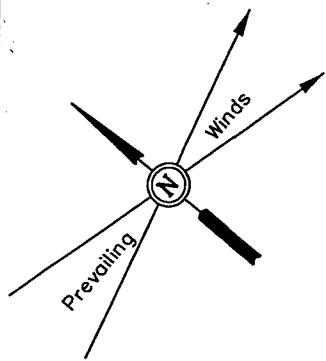
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QUESTAR EXPLORATION & PRODUCTION

LOCATION LAYOUT FOR

WV ~~80~~ #12~~W~~ 9-8-21
SECTION 9, T8S, R21E, S.L.B.&M.
2048' FSL 693' FWL

FIGURE #1

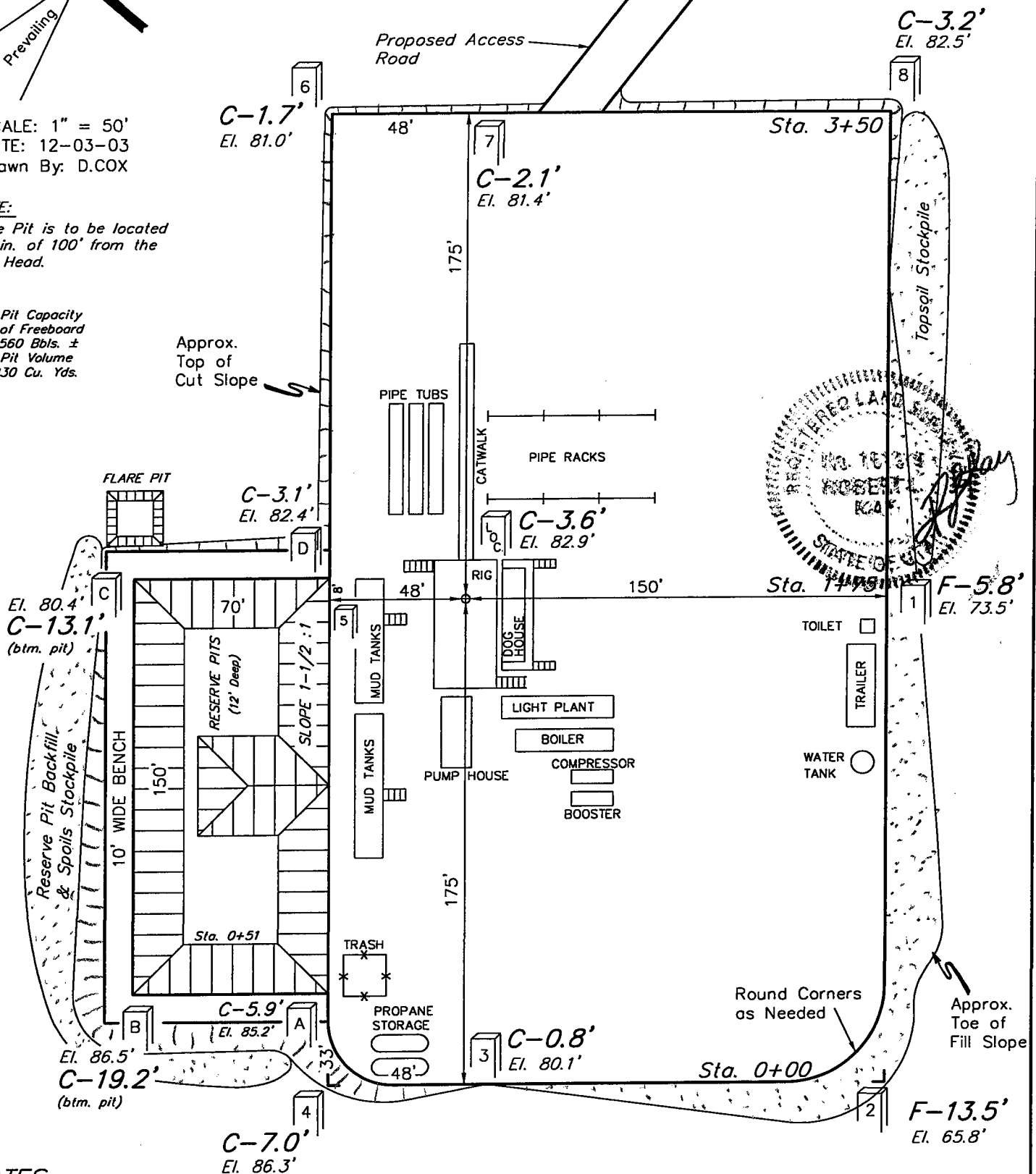


SCALE: 1" = 50'
DATE: 12-03-03
Drawn By: D.COX

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.

Total Pit Capacity
W/2' of Freeboard
= 10,560 Bbls. ±
Total Pit Volume
= 2,930 Cu. Yds.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4782.9'
FINISHED GRADE ELEV. AT LOC. STAKE = 4779.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

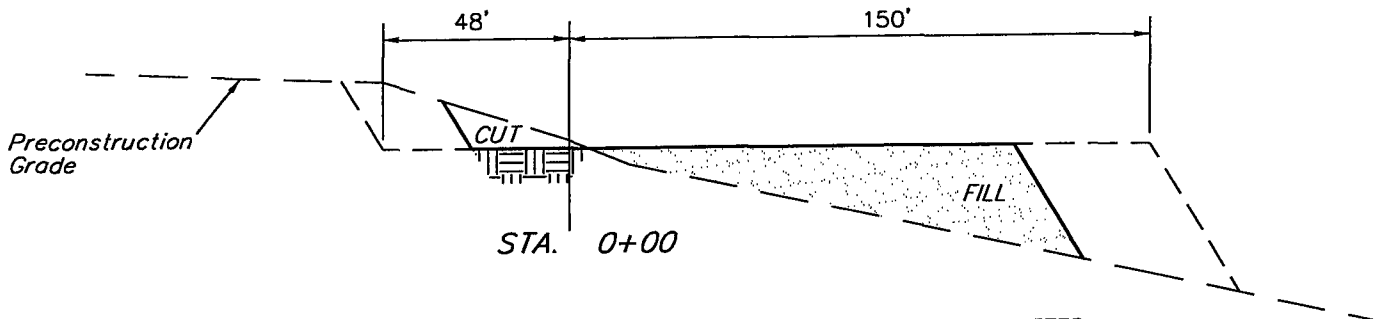
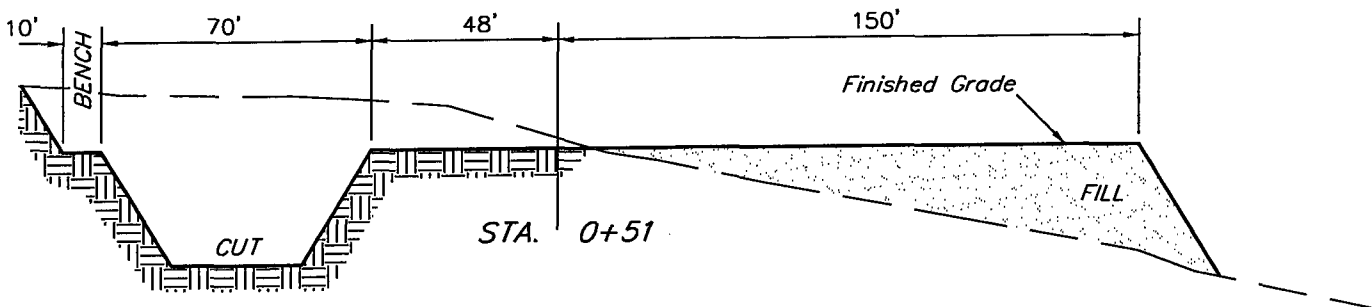
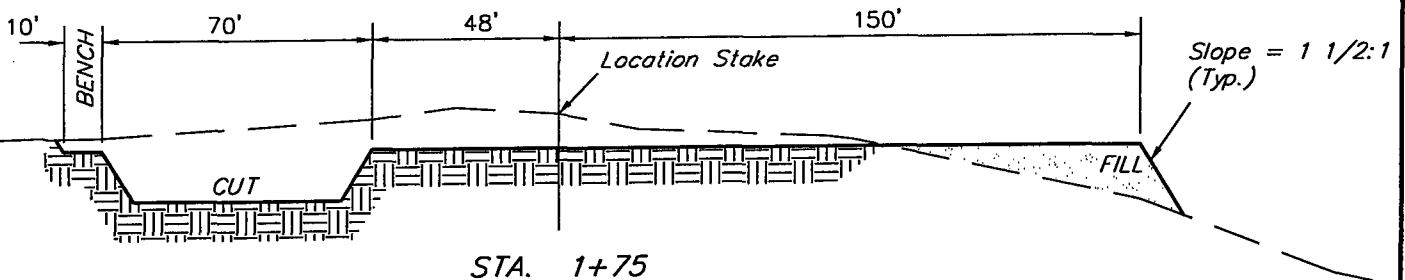
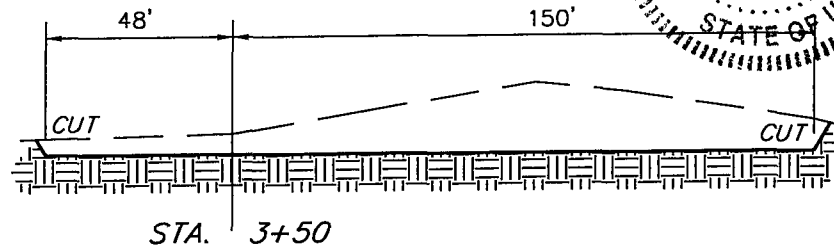
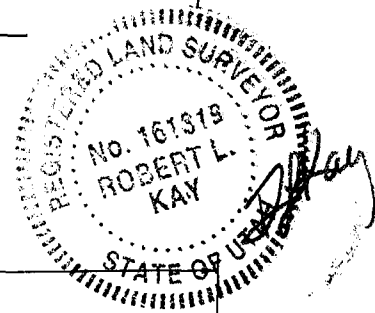
QUESTAR EXPLORATION & PRODUCTION

FIGURE #2

TYPICAL CROSS SECTIONS FOR

WV 80 #12W-9-8-21
SECTION 9, T8S, R21E, S.L.B.&M.
2048' FSL 693' FWL

1" = 20'
X-Section
Scale
1" = 50'
DATE: 12-03-03
Drawn By: D.COX

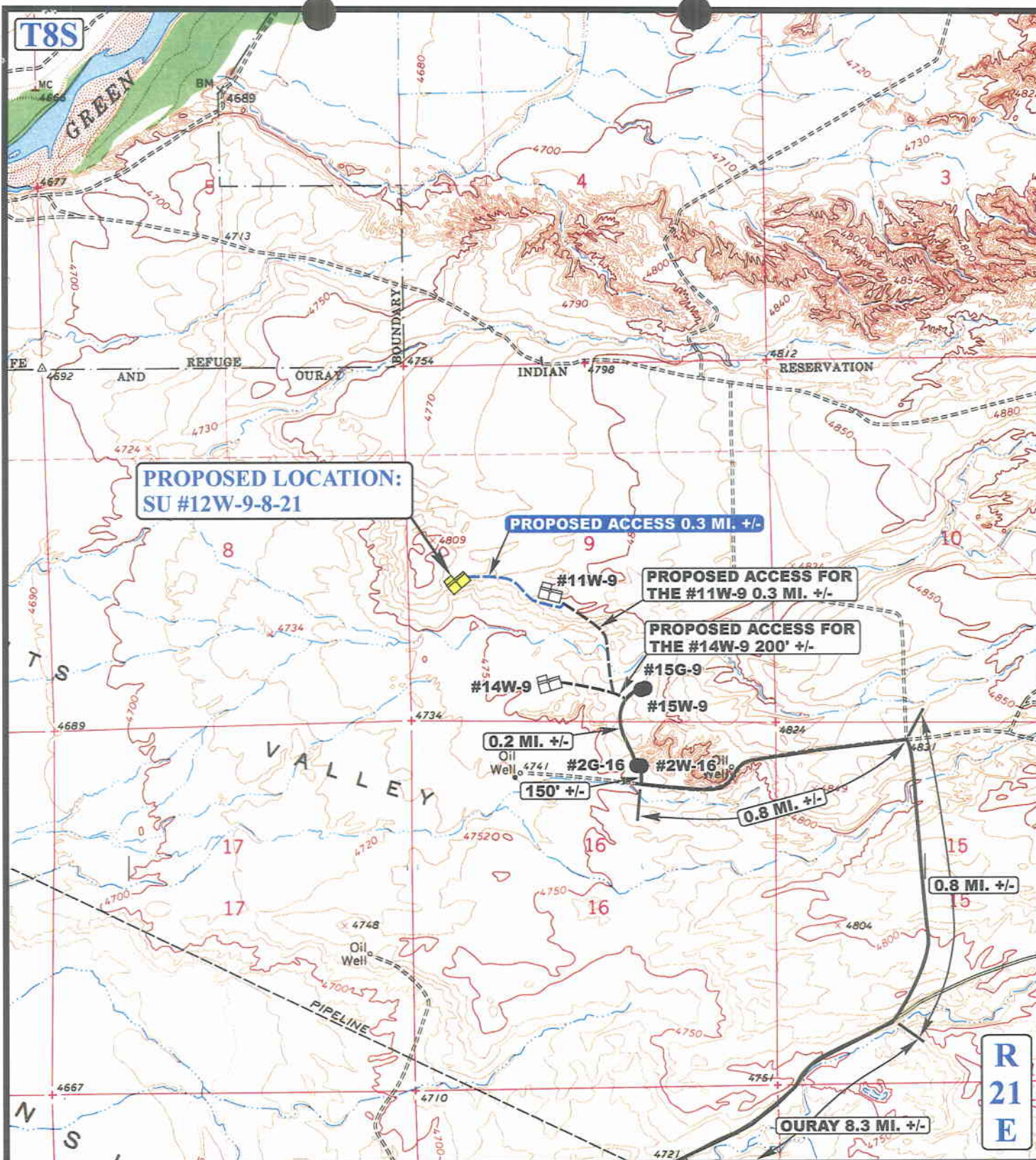


APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,070 Cu. Yds.
Remaining Location	= 7,540 Cu. Yds.
TOTAL CUT	= 10,610 CU.YDS.
FILL	= 5,780 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 4,530 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,530 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

QUESTAR EXPLR. & PROD.

SU #12W-9-8-21
SECTION 9, T8S, R21E, S.L.B.&M.
2048' FSL 693' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

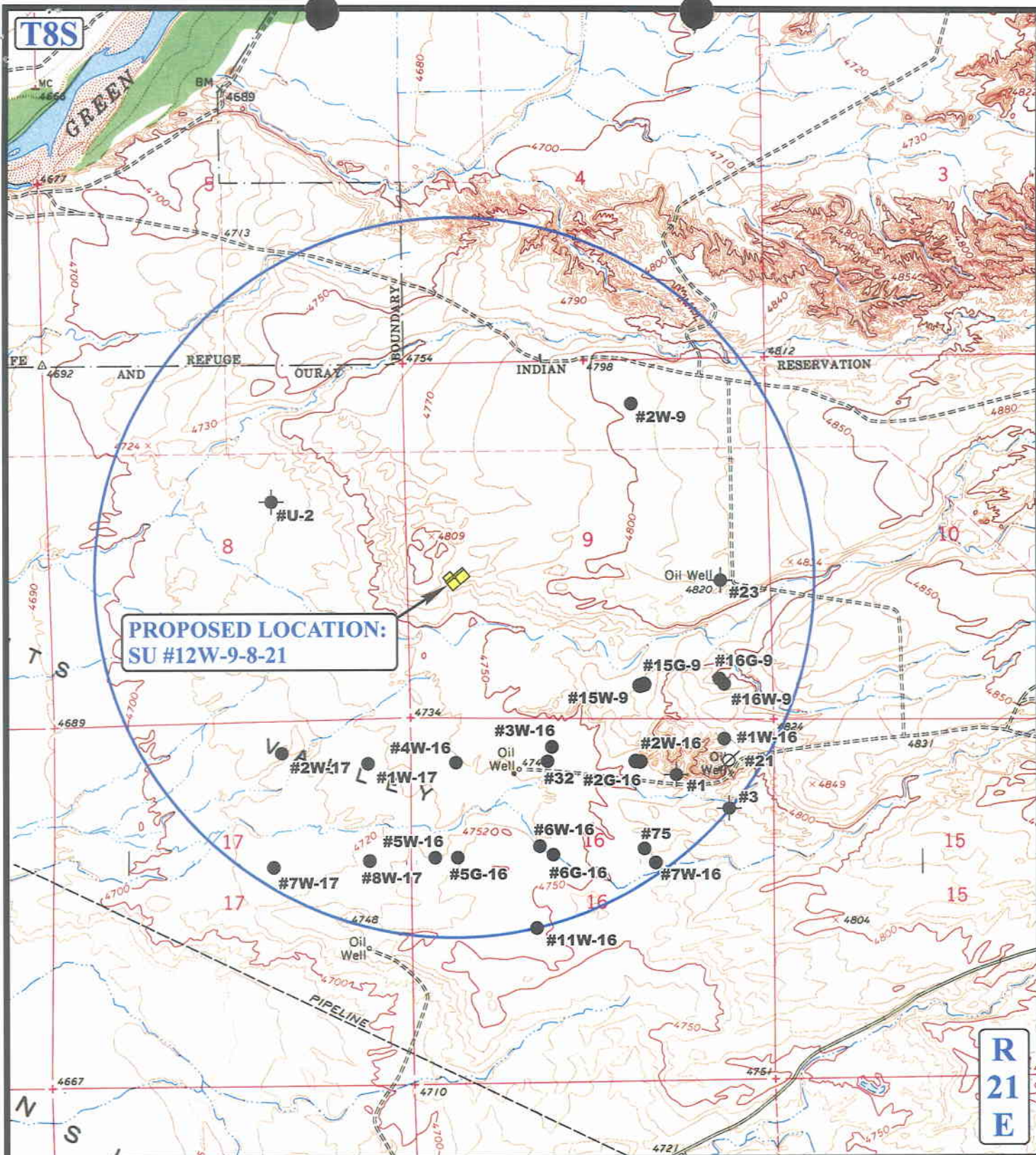


TOPOGRAPHIC
MAP

12 18 03
MONTH DAY YEAR

SCALE: 1" = 2000' **DRAWN BY: P.M.** **REVISED: 00-00-00**





LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

QUESTAR EXPLR. & PROD.

SECTION 9, T8S, R21E, S.L.B.&M.
2048' FSL 693' FWL



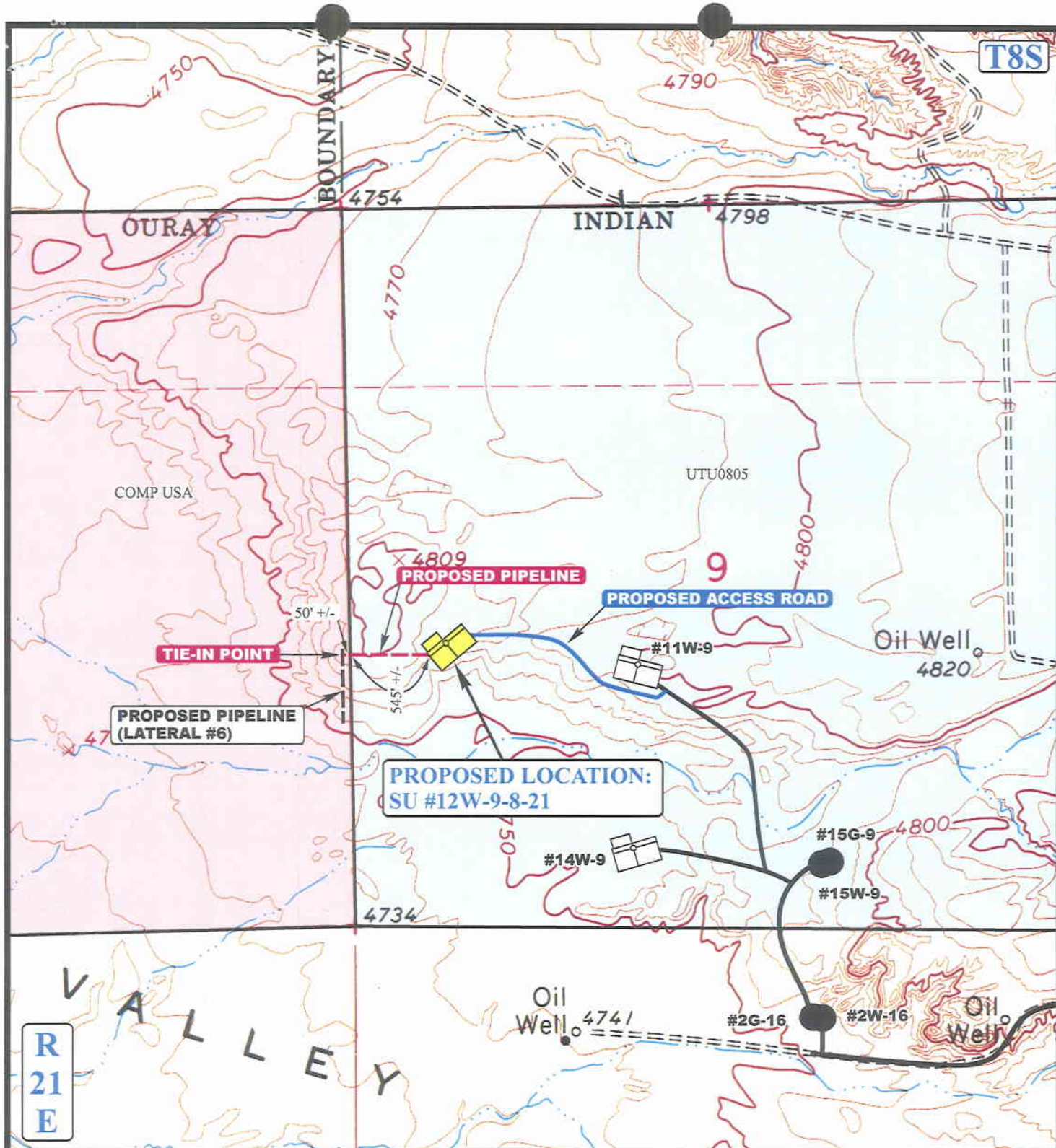
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

12 18 03
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 595' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

QUESTAR EXPLR. & PROD.

WU SU #12W-9-8-21
SECTION 9, T8S, R21E, S.L.B.&M.
2048' FSL 693' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

12 18 03
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00

D
TOPO

Additional Operator Remarks:

QEP Uinta Basin, Inc. proposes to drill a well to 9650' to test the Mesa Verde. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See attached 8-Point drilling program.

See Onshore Order No. 1 Attached

Please be advised that QEP Uinta Basin, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. ESB000024. The principal is QEP Uinta Basin, Inc. via surety as consent as provided for the 43 CFR 3104.2.

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ONSHORE OIL & GAS ORDER NO. 1
QEP Uinta Basin, Inc.
WV 12MU-9-8-21

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Uinta	Surface	
Green River	2845'	
Wasatch	6230'	
Mesa Verde	9030'	
TD	9650'	

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Mesa Verde	9650'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will

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DRILLING PROGRAM

be obtained from Wonsits Valley water right #36125 or where possible a fresh water line (poly pipe) will be laid in the access road to each location to supply fresh water for drilling purposes.

3. Operator's Specification for Pressure Control Equipment:

- A. 3,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 2500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

4. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Type</u>	<u>Weight</u>
Surface	1200'	12 - 1/4"	9-5/8"	J-55	36lb/ft (new) LT&C
Production	9650'	7 - 7/8"	4 - 1/2"	P-110	13.5lb/ft (new)LT&C

*High Collapse P-110

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.

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DRILLING PROGRAM

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- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').
 - H. Compressor shall be tied directly to the blooie line through a manifold.
 - I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.
6. Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated

Logging – Mud logging – 4500 to TD
GR-SP-Induction
Neutron Density
MRI

- C. Formation and Completion Interval: Mancos interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

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DRILLING PROGRAM

7. Cementing Program

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	685 sx	Class "G" single slurry mixed to 15.6 ppg, yield = 1.19 cf/sx. Fill to surface with 160 cf (685 sx) calculated. Tail plug used. Allowed to set under pressure
Production	Lead-1000sx* Tail-452sx*	Lead/Tail oilfield type cement circulated in place . Tail slurry: Class "G" + gilsonite and additives as required, mixed to 14.8 ppg, yield = 1.34 cf/sx. Fill to 7025' ($\pm 300'$ above top of Wasatch). Cement Characteristics: Lead slurry: Class "G" + extender and additives as required, mixed to 11.0 ppg, yield = 3.82 cf/sx. Fill to surface. Tail plug used. Allowed to set under pressure.

*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3860.0 psi. Maximum anticipated bottom hole temperature is 140° F.

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004

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/05/2004

API NO. ASSIGNED: 43-047-35413

WELL NAME: WV 12MU-9-8-21

OPERATOR: QEP UINTA BASIN, INC. (N2460)

CONTACT: RALEEN SEARLE

PHONE NUMBER: 435-781-4309

PROPOSED LOCATION:

NWSW 09 080S 210E

SURFACE: 2048 FSL 0693 FWL

BOTTOM: 2048 FSL 0693 FWL

UINTAH

WONSITS VALLEY (710)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-0805

SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: MVRD

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.13650

LONGITUDE: 109.56591

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. ESB000024)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 36125)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

____ R649-2-3.
Unit STIRRUP
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
____ R649-3-3. Exception
____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
____ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal approval
2- Spacing 878

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

January 7, 2004

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2004 Plan of Development Stirrup Unit, Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2004 within the Stirrup Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Mesa Verde)		
43-047-35412	WV 11MU-9-8-21 Sec 9 T08S R21E 1914 FSL 2065 FWL	
43-047-35413	WV 12MU-9-8-21 Sec 9 T08S R21E 2048 FSL 0693 FWL	

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Stirrup Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:1-7-04



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

January 8, 2004

QEP – Uinta Basin Inc.
11002 East 17500 South
Vernal, UT 84078

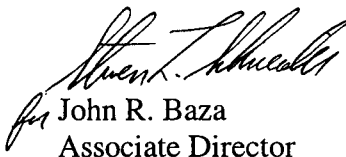
Re: Wonsits Valley 12MU-9-8-21 Well, 2048' FSL, 693' FWL, NW SW, Sec. 9, T. 8 South,
R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35413.

Sincerely,


for John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: QEP – Uinta Basin Inc.
Well Name & Number Wonsits Valley 12MU-9-8-21
API Number: 43-047-35413
Lease: UTU-0805

Location: NW SW Sec. 9 T. 8 South R. 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

006

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL	5. Lease Serial No. UTU80637
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name
2. Name of Operator QEP UINTA BASIN INC		Contact: RALEEN SEARLE E-Mail: rsearle@westportresourcescorp.com	7. If Unit or CA Agreement, Name and No. UTU80250X
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		3b. Phone No. (include area code) Ph: 435.781.7044 Fx: 435.781.7094	8. Lease Name and Well No. WV 12MU-9-8-21
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NWSW 2048FSL 693FWL At proposed prod. zone		9. API Well No. 43-047-35413-00-X1	
14. Distance in miles and direction from nearest town or post office* 10 +/- MILES NORTH WEST FROM OURAY, UT		10. Field and Pool, or Exploratory WONSITS VALLEY	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 693' +/-		16. No. of Acres in Lease 400.00	11. Sec., T., R., M., or Blk. and Survey or Area Sec 9 T8S R21E Mer SLB SME: BIA
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1500' +/-		19. Proposed Depth 9650 MD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4794 KB		22. Approximate date work will start	13. State UT
		20. BLM/BIA Bond No. on file ESB000024	17. Spacing Unit dedicated to this well 40.00
		23. Estimated duration 10 DAYS	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|--|--|
| 1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer. |
|--|--|

25. Signature (Electronic Submission)	Name (Printed/Typed) RALEEN SEARLE	Date 12/30/2003
Title PREPARER		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) HOWARD B CLEAVINGER II	Date 04/28/2004
Title AFM FOR MINERAL RESOURCES		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #26510 verified by the BLM Well Information System
For QEP UINTA BASIN INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 01/07/2004 (04LW0214AE)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional Operator Remarks:

QEP Uinta Basin, Inc. proposes to drill a well to 9650' to test the Mesa Verde. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See attached 8-Point drilling program.

See Onshore Order No. 1 Attached

Please be advised that QEP Uinta Basin, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. ESB000024. The principal is QEP Uinta Basin, Inc. via surety as consent as provided for the 43 CFR 3104.2.

Revisions to Operator-Submitted EC Data for APD #26510

Operator Submitted

Lease: UTU-0805
Agreement:
Operator: QEP - UINTA BASIN INC
11002 EAST 17500 SOUTH
VERNAL, UT 84078
Ph: 435.781.4309
Fx: 435.781.4323

Admin Contact: RALEEN SEARLE
REGULATORY AFFAIRS ANALYST
11002 EAST 17500 SOUTH
VERNAL, UT 84078
Ph: 435.781.4309
Fx: 435.781.4329

E-Mail: raleen.searle@questar.com

Tech Contact:

Well Name: WV
Number: 12MU-9-8-21

Location:
State: UT
County: UINTAH
S/T/R: Sec 9 T8S R21E Mer SLB
Surf Loc: NWSW 2048FSL 693FWL

Field/Pool: WONSITS VALLEY

Bond: ESB000024

BLM Revised (AFMSS)

UTU80637
UTU80250X
QEP UINTA BASIN INC
11002 EAST 17500 SOUTH
VERNAL, UT 84078
Ph: 435.781.4300

RALEEN SEARLE
PREPARER
11002 EAST 17500 SOUTH
VERNAL, UT 84078
Ph: 435.781.7044
Fx: 435.781.7094

E-Mail: rsearle@westportresourcescorp.com

WV
12MU-9-8-21

UT
UINTAH
Sec 9 T8S R21E Mer SLB
NWSW 2048FSL 693FWL

WONSITS VALLEY

ESB000024

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil

Gas

☐

Well

☒

Well

☐

Other

CONFIDENTIAL

2. Name of Operator

SHENANDOAH ENERGY INC

3. Address and Telephone No

11002 E. 17500 S. VERNAL, UT 84078-8526

(801) 781-4341

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NWSW 2048' FSL 693' FWL SEC. 9, T8S, R21E

5. Lease Designation and Serial No.

UTU-80637

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

UTU-80250X

8. Well Name and No.

WV 12MU-9-8-21

9. API Well No.

43-047-35413

10. Field and Pool, or Exploratory Area

WONSITS VALLEY

11. County or Parish, State

UINTAH, UTAH

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒

Notice of Intent

☐

Subsequent Report

☐

Final Abandonment Notice

TYPE OF ACTION

☐

Abandonment

☐

Recompletion

☐

Plugging Back

☐

Casing Repair

☐

Altering Casing

☒

Other APD Extension

☐

Change of Plans

☐

New Construction

☐

Non-Routine Fracturing

☐

Water Shut-Off

☐

Conversion to Injection

☐

Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Shenandoah Energy Inc. hereby requests an 1 year extension from approval date on the WV 12MU-9-8-21.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 12-11-04

By: [Signature]

COPY SENT TO OPERATOR

Date: 12-12-04

Initials: CHD

14. I hereby certify that the foregoing is true and correct.

Signed **JAN NELSON**

Title **Regulatory Affairs Analyst**

Date **12/13/2004**

(This space for Federal or State office use)

Approved by:

Title

Date

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

RECEIVED

DEC 14 2004

DIV OF OIL, GAS & MINING

RESET

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35413
Well Name: WV 12MU-9-8-21
Location: NWSW 2048' FSL 693' FWL SEC. 9, T8S, R21E
Company Permit Issued to: QEP UINTA BASIN INC.
Date Original Permit Issued: 1/8/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

12/13/2004

Date

Title: Regulatory Affairs Analyst

Representing: QEP UINTA BASIN INC.

RECEIVED
DEC 14 2004

DIV OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

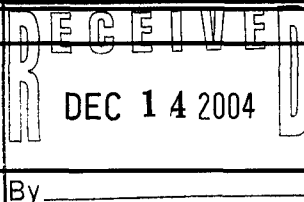
008

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE



1. Type of Well

Oil Gas
☐ Well ☒ Well ☐ Other

2. Name of Operator

SHENANDOAH ENERGY INC

3. Address and Telephone No

11002 E. 17500 S. VERNAL, UT 84078-8526

(801) 781-4341

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NWSW 2048' FSL 693' FWL SEC. 9, T8S, R21E

5. Lease Designation and Serial No.

UTU-80637

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

UTU-80250X

8. Well Name and No.

WV 12MU-9-8-21

9. API Well No.

43-047-35413

10. Field and Pool, or Exploratory Area

WONSITS VALLEY

11. County or Parish, State

UINTAH, UTAH

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
- ☐ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other APD Extension
- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Shenandoah Energy Inc. hereby requests an 1 year extension from approval date on the WV 12MU-9-8-21.

RECEIVED
JAN 31 2005
DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACH

14. I hereby certify that the foregoing is true and correct.

Signed JAN NELSON

Title Regulatory Affairs Analyst

Date 12/13/2004

(This space for Federal or State office use)

Approved by:

Michael

Title

Petroleum Engineer

Date

JAN 14 2005

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

UDOGM

RESET

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35413
Well Name: WV 12MU-9-8-21
Location: NWSW 2048' FSL 693' FWL SEC. 9, T8S, R21E
Company Permit Issued to: QEP UINTA BASIN INC.
Date Original Permit Issued: 4/28/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

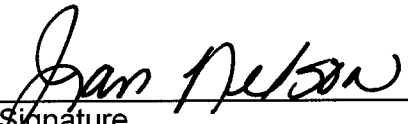
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

12/13/2004

Date

Title: Regulatory Affairs Analyst

Representing: QEP UINTA BASIN INC.

QEP Uinta Basin Inc.
APD Extension

Well: WV 12MU - 9-8-21

Location: NWSW Sec. 09, T08S, R21E

Lease: UTU-80637

Conditions of Approval

An extension for the referenced APD is granted with the following condition(s):

1. The extension will expire 04/28/06
2. No other extensions beyond that period will be granted or allowed.

If you have any other questions concerning this matter, please contact Michael Lee at (435) 781-4432.

CONFIDENTIAL

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-80637

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

UTE TRIBE

7. UNIT or CA AGREEMENT NAME:

UTU-80250X

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL

OIL WELL ☐GAS WELL ☒

OTHER _____

8. WELL NAME and NUMBER:

WV 12MU-9-8-21

2. NAME OF OPERATOR:

QEP UINTA BASIN, INC

9. API NUMBER:

4304735413

3. ADDRESS OF OPERATOR:

11002 E. 17500 S.

CITY

VERNAL

STATE

UT

ZIP

84078

PHONE NUMBER:

(435) 781-4331

10. FIELD AND POOL, OR WILDCAT:

WONSITS VALLEY

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2048' FSL 693' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 9 8S 21E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the WV 12MU-9-8-21.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 12-27-05

By: [Signature]

COPY SENT TO OPERATOR

Date: 01-04-06

Initials: [Signature]

NAME (PLEASE PRINT) Jan Nelson

TITLE Regulatory Affairs

SIGNATURE [Signature]

DATE 12/21/2005

(This space for State use only)

RECEIVED

DEC 23 2005

CONFIDENTIAL

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35413
Well Name: WV 12MU-9-8-21
Location: 2048' FSL 693' FWL NWSW, SEC. 9, T8S, R21E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 1/8/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

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Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

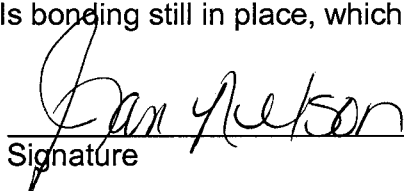
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

12/21/2005

Date

Title: REGULATORY AFFAIRS

Representing: QEP UINTA BASIN, INC.

RECEIVED

DEC 23 2005

DIV. OF OIL, GAS & MINING



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 19, 2006

Laura Bills
QEP Uinta Basin Inc.
11002 East 17500 South
Vernal, Utah 84078

Re: APD Rescinded - WV 12MU-9-8-21 Sec. 9 T. 8S R. 21E
Uintah County, Utah API No. 43-047-35413


Dear Ms. Bills:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on January 8, 2004. On December 16, 2004 and December 27, 2005 the Division granted a one-year APD extension. On December 15, 2006, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective December 15, 2006.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

January 3, 2007

43-047-35413

Jan Nelson
QEP-Uinta Basin, Inc.
11002 East 17500 South
Vernal, Utah 84078

Re: Notification of Expiration
Well No.: WV 12MU-9-8-21
NWSW, Sec. 9, T8S, R21E
Uintah County, Utah
Lease No. UTU-80637

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on April 28, 2004. Our records indicate that a one year extension was granted expiring April 28, 2006. As of this date no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Sandra Sather
Legal Instruments Examiner

cc: UDOGM

bcc: Well File
Reading file
ES

U-922
U-924

RECEIVED

JAN 16 2007

DIV. OF OIL, GAS & MINING